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UNCLAS SECTION 01 OF 02 VILNIUS 000610

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TAGS: PGOV PREL PINR LH

SUBJECT: LITHUANIAN PRESIDENT NOMINATES DEFENSE MINISTER AS THE NEXT PRIME MINISTER

REF: VILNIUS 581 and previous

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SUMMARY  
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**¶1.** (SBU) Lithuanian President Valdas Adamkus nominated acting Defense Minister Gediminas Kirkilas for the post of Prime Minister June 28. The parliament held hearings on the nomination June 29 and will vote on Kirkilas's candidacy as early as July 4. The Social Democrats and Conservatives appear to have worked out an agreement that will allow the Conservatives to support Kirkilas in the upcoming vote. Adamkus's staff tells us that a new government will not be in place until July 13 at the earliest. This Mission enjoys a strong and positive relationship with Kirkilas; his ascension to the PM post would be good news for us. (Kirkilas's biography follows in paragraph 6.) END SUMMARY.

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SOCDEMS SEEKING CONSERVATIVE SUPPORT  
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**¶2.** (U) The SocDem-led coalition (53 MPs) seeks Conservative support to ensure that Kirkilas garners the simple majority needed in the 141-seat parliament for confirmation. The parliament rejected the SocDem's earlier PM candidate Zigmantas Balcytis on June 22 (reftel), largely because of the Conservatives' active opposition. Following the President's announcement of the decision to nominate the acting Defense Minister for the Prime Minister's post, Kirkilas told journalists that:

-- the SocDems plan to proceed with the current coalition, consisting of the National Farmers' Union, the Civil Democratic Party, and the Liberal Center Union (a total of 53 MPs);

-- the SocDems intend to start consultations with other parties to garner additional support; and

-- the SocDems intend to sign a cooperative agreement with the Conservatives that would allow the Conservatives to support Kirkilas's PM candidacy without participating in the coalition.

**¶3.** (SBU) A Conservative MP who participated in the negotiations with the SocDems told us privately that it is too early to say whether or not Conservatives will support Kirkilas. This MP said that the Conservatives will express support for Kirkilas if the SocDems sign a "stability agreement" with the Conservatives that clearly states the SocDems will be leading a minority government and that lays

out specific tasks for the new government, including implementing transparency in the allocation of EU funds and enhancing anti-corruption legislation. Andrius Kubilius, leader of the Conservatives, also publicly demanded that the SocDems guarantee that the Conservatives will chair the Audit, Ethics, and Anti-Corruption parliamentary committees.

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LABOR PARTY LEGAL TROUBLES ESCALATE  
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¶4. (SBU) Meanwhile, the troubles, the most powerful party in the previous government, continue. The Prosecutor's Office officially articulated its suspicions about Labor Party malfeasance on June 22, the first step in a process likely to lead to indictment. Prosecutor General Algimantas Valantinas told reporters that his office suspects the Labor Party of violating two articles of the Criminal Code: fraudulent accounting and submitting false data on incomes, profit, and property in an effort to evade taxes. The party may be fined, restricted from certain activities, or face termination of its activities altogether. Labor Party Leader Viktor Uspaskich, who had already suspended his activities as the party's chair, officially resigned following the Prosecutor's announcement. President Adamkus and the Conservatives continue to reiterate publicly their demand that a new governing coalition include neither the Labor Party nor the Liberal Democrats.

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COMMENT  
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¶5. (SBU) We have found Kirkilas very easy to work with as Defense Minister, and expect this constructive relationship

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to continue if he receives confirmation as PM. Despite their ideological differences, Kubilius enjoys a cordial relationship with Kirkilas, which improves the latter's chances of securing the PM's post. Confirmation hearings went relatively smoothly on June 29. If the SocDems deliver on the Conservatives' demands (and they have said they will), we expect the Conservatives will support (or at least not object) to Kirkilas's nomination on Tuesday.

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BIOGRAPHY OF CANDIDATE FOR PRIME MINISTER GEDIMINAS  
KIRKILAS  
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¶6. (U) Kirkilas was born on August 30, 1951 in Vilnius. He is the eldest of seven children born to a teacher and an engineer. From 1969-1972, Kirkilas was a conscript in the Soviet Northern Fleet in Severomorsk. From 1972-1976, he studied Lithuanian literature at the Vilnius Pedagogic Institute. He also worked through the 1980s as an art restorer and gilder.

In 1982, Kirkilas received a degree from the Communist Party Institute in Vilnius. The same year, he started a career in the Communist Party apparatus. In 1986, Kirkilas became the First Assistant to the Secretary of the Party's Central Committee Culture Department. He later served as Assistant Spokesman of the Party's First Secretary and later of Lithuanian President Algirdas Brazauskas.

When the Lithuanian Communist Party split from the Communist Party of the Soviet Union and renamed itself the Democratic Labor Party (LDDP) in 1990, Kirkilas became a member of its Central Committee and Deputy Chairman. He has been a member of the Seimas (parliament) since 1992, and served on the Seimas National Security, Foreign Affairs, and European Affairs Committees. From 1994-2000,

he was the equivalent of the party whip for its faction in parliament.

Kirkilas was active in merging the LDDP and the old Social Democratic Party into one single Social Democratic Party in 2001 and was elected its deputy chair. For several years, he directed the party's press outreach and election campaigns.

When the Social Democrats returned to power in July 2001, Kirkilas became chair of the Seimas Foreign Affairs Committee. He also chaired a group of MPs who wrote the Lithuanian government's original national security strategy in the 1990s. Kirkilas has also served as chair of Lithuania's delegation to the NATO Parliamentary Assembly.

He headed the party's national election campaign in 2004 and the coalition negotiations that followed. He became Defense Minister on December 7, 2004 as part of the cabinet led by Prime Minister Algirdas Brazauskas. Since the fall of the Brazauskas government in June, Kirkilas has stayed on as acting Defense Minister and has led negotiations with other political parties over the establishment of a new ruling coalition. President Adamkus submitted his name to the Seimas on June 29 as candidate for the post of Prime Minister.

Kirkilas is married to Liudmila Kirkiliene, who works for the "Lithuanian Railways" company. They have a daughter, Diana; a son, Rolandas; and an adopted son, Andrius.

Kirkilas is a pipe-smoker, and his hobbies include tennis, ping-pong, and fishing. He likes to make public ping-pong challenges to other prominent politicians, promising to quit smoking if he loses (so far, he hasn't). He is a prolific author and has published more than 1,000 articles (at least 50 of them aimed against conservative ideologue Vytautas Landsbergis) and a book on politics. Kirkilas speaks Lithuanian, Russian, and English.

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